

HB 3120 A STAFF MEASURE SUMMARY
House Committee On Transportation Policy

Carrier: Rep. Wilson

Action Date: 04/12/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Barreto, Evans, McKeown, McLain, Meek, Noble, Vial, Wilson, Witt

Fiscal: No fiscal impact

Revenue: No revenue impact

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WHAT THE MEASURE DOES:

Directs the Department of Transportation to designate vehicle dealer as an agent for the purposes of preparing and/or submitting documents related vehicle titles, registration, liens, and other services related to complying with federal and state law. Allows the Department of Transportation to penalize vehicle dealers who do not comply with applicable regulations.

ISSUES DISCUSSED:

- Technical changes to reflect current practice
- Dealers as agents of Division of Driver and Motor Vehicle Services (DMV)
- Need for compliance
- Ability of DMV to fine dealers if out of compliance

EFFECT OF AMENDMENT:

Makes changes to clarify responsibilities.

BACKGROUND:

Current law requires dealers to deposit state-held funds within 24 hours of receipt into a segregated bank account. Dealers collect title and registration funds at the time of delivery, but have 30 days to finalize a deal and submit the required paperwork. Typically, the dealer will hold all funds until the purchase is completely finalized. House Bill 3120-A recognizes the dealer as an agent of the Division of Driver and Motor Vehicle Services for the purpose of holding title and registration fees until the purchase of the vehicle is finalized and then depositing the funds in a segregated bank account.